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RUEKJCS/SECDEF WASHINGTON DC PRIORITY  
RHMCSUU/FBI WASHINGTON DC PRIORITY  
RUEAIIA/CIA WASHDC PRIORITY  
RUETIAA/DIRNSA FT MEADE MD PRIORITY  
RUEHC/SECSTATE WASHDC PRIORITY 3934

UNCLAS KUWAIT 000905

SENSITIVE  
SIPDIS

STATE FOR NEA/ARP, PM/DTCC- BLUE LANTERN COORDINATOR

E.O. 12958: N/A  
TAGS: [EIND](#) [EINT](#) [ETRD](#) [ETTC](#) [KU](#)  
SUBJECT: RESPONSE, BLUE LANTERN LEVEL 3: POST SHIPMENT  
END-USE CHECK ON LICENSE 050126494

REF: STATE 91627

11. (SBU) This is an initial response to reftel action request. Jasem Y. al Zayed, Project Development Manager, Al Sada General Trading & Contracting (SGTC) told Econoff on Sept. 9 that the serial number of the Smith & Wesson firearm mentioned in reftel is not on the manifest provided to SGTC by Smith & Wesson. Post also conveyed reftel request for confirmation of receipt of the firearm to MOI POC Ajeel al Ajran, who referred the matter to other MOI officials. Post will follow-up and report substantive response septel.

#### BACKGROUND

12. (SBU) SGTC is a family owned business, with the headquarters located in the Yousef al Zayed Building. According to al Zayed, his father Yusef Mutlaq Naser al Zayed is the owner of SGTC. Jasem al Zayed runs the daily operations of the business. SGTC was established in 1985 as a supplier of ready-made garments and later expanded into the security industry. SGTC supplies security products to the military and public sectors. Products include thermal imaging cameras, weapons, ammunitions and accessories, military surveillance equipment and military and civilian uniforms, electronic, security and communication systems.

12. (SBU) According to al Zayed, SGTC has only had two Smith & Wesson orders since 2002, but he hopes to expand his contract. SGTC is the agent for Smith & Wesson to MOI. He said that SGTC provided the current weapons shipment as samples to MOI in the hopes that it will expand its contract. In addition to Smith & Wesson, SGTC also works with Jane's, U.K., CTS Combined Tactical Systems, Inc. and Insight Technologies, among others. Domestically, SGTC clients include the Ministry of Defense, the Ministry of Interior, Civil Defense and Fire Department and the National Guard. SGTC contracts are valued at more than USD 20 million annually.

13. (SBU) Al Zayed asserted that SGTC is merely the administrative middle man as an agent to the MOI; MOI picks up the weapons from airport customs and SGTC does not handle the weapons. Al Zayed opened his sales records, going back to 2005, to Econoff. He also provided the Smith & Wesson serial number list, which confirmed the serial number in question, BJM3362, was not included in the shipment. Al Zayed then offered to email Smith & Wesson to track to missing firearm. (NOTE: Econoff was cc'ed on the mentioned email and is currently awaiting a response from Smith & Wesson. Post has emailed the serial number list to DTCC. END NOTE.)

4. (SBU) COMMENT: All the documents and sales records presented appeared to be in order. Al Zayed appeared fully cooperative and forthcoming with Econoff. END COMMENT.

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JONES